

Message Text

UNCLASSIFIED

PAGE 01 VIENNA 10413 181458Z

41

ACTION COME-00

INFO OCT-01 EUR-25 ISO-00 EB-11 SS-20 RSC-01 DRC-01 /059 W

----- 031840

P 181403Z DEC 73

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC PRIORITY 1046

UNCLAS VIENNA 10413

E.O. 11652: N/A

TAGS: BEXP, AU

SUBJECT: EXPORT PROMOTION QUESTIONNAIRE

REF: A. STATE 239059; B. VIENNA A-187

1. FOLLOWING AUSTRIAN EXPORT PROMOTION TECHNIQUES
BELIEVED TO BE ESPECIALLY UNIQUE OR EFFECTIVE UNDER THE
AUSTRIAN ORGANIZATIONAL SETUP.

A. MAINTENANCE OF ABOUT 80 PERMANENT TRADE DELE-
GATIONS IN ALL PARTS OF THE WORLD. TRADE DELEGATES
ARE PART OF SEMIGOVERNMENTAL FEDERAL CHAMBER OF
COMMERCE AND REPORT DIRECTLY TO THIS ORGANIZATION.
MOST TRADE DELEGATES HAVE DIRECT ACCESS VIA TELEX TO
EXPORT DATA BANK MAINTAINED BY CHAMBER IN VIENNA
ENABLING THEM TO ANSWER TRADE INQUIRIES ON THE SPOT.
DATA ON ABOUT 12,000 AUSTRIAN EXPORTERS KEPT UP-TO-
DATE ON DAILY BASIS. SYSTEM ALSO USED TO DISTRIBUTE
INCOMING COMMERCIAL AND ECONOMIC INTELLIGENCE AS WELL
AS TRADE LEADS TO SPECIFICALLY INTERESTED PARTIES.
OPERATIONS FINANCED BY PROCEEDS FROM EXPORT PROMOTION
TAX LEVIED ON EXPORTS AND IMPORTS.

B. AUSTRIAN TRADE DELEGATES RETURN TO AUSTRIA AT
REGULAR INTERVALS (1-2 YEARS DEPENDING ON IMPORTANCE
OF MARKET) TO BE AVAILABLE FOR CONSULTATIONS WITH
AUSTRIAN EXPORTERS AT PRE-ANNOUNCED LOCATIONS THROUGHOUT
COUNTRY DURING A PERIOD OF 4 TO 6 WEEKS. FOR THESE
CONSULTATION WEEKS, ALL TRADE DELEGATES FROM A GIVEN
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 VIENNA 10413 181458Z

AREA (E.G. NORTH AMERICA, NORTHERN EUROPE, FAR EAST)

COME TO AUSTRIA. CONSULTATIONS REGARDED AS A MOST EFFICIENT METHOD TO MAINTAIN CLOSE CONTACT BETWEEN EXPORTERS AND TRADE DELEGATES.

C. THE INSTITUTES FOR THE PROMOTION OF ECONOMIC ACTIVITIES (WIRKSCHAFTSFOERDERUNGSINSTITUT) OPERATED BY THE NINE PROVINCIAL CHAMBERS OF COMMERCE, WHICH PROVIDE VOCATIONAL AND PROFESSIONAL TRAINING FACILITIES, RUN NUMEROUS COURSES AND SEMINARS COVERING ALL ASPECTS OF FOREIGN TRADE FROM MARKET RESEARCH TO INVOICING AND EXPORT MANAGEMENT TO FOREIGN LANGUAGE CORRESPONDENCE. THESE COURSES AND SEMINARS CAN BE ATTENDED AT A NOMINAL FEE SINCE THEY ARE HEAVILY SUBSIDIZED BY THE CHAMBERS. PROJECT PROVIDES AUSTRIAN EXPORTERS WITH QUALIFIED PERSONNEL AND HELPS TO IMPROVE OVERALL EFFICIENCY OF EXPORT TRADE. (A RECENT 2-DAY SEMINAR CONDUCTED BY DR. H. TSCHUDIN OF HILLSDALE, N.J., ON "DOING BUSINESS WITH THE U.S." DREW ABOUT 35 PARTICIPANTS FROM AUSTRIAN TRADE AND INDUSTRY; PARTICIPATION FEE, AS1000 PER PERSON.)

2. 0.3 PERCENT EXPORT PROMOTION TAX LEVIED ON VALUE OF IMPORTS AND EXPORTS USED TO FINANCE EXPORT PROMOTION ACTIVITIES. TAX YIELDED AS492 MILLION IN 1972. YIELDS ANTICIPATED FOR 1973 AND 1974 ARE AS550 MILLION AND AS700 MILLION, RESPECTIVELY. 1972 TAX YIELD REPESENTED 0.233 PERCENT OF TOTAL EXPORT/IMPORT VALUE. AUSTRIAN EXPORTERS BELIEVE MARGINAL IMPACT OF TAX ON PRICE COMPETITIVENESS OF EXPORTS MORE THAN OFFSET BY SERVICES AVAILABLE TO THEM THROUGH TAX-FINANCED EXPORT PROMOTION ACTIVITIES.

3. THERE IS NO INDICATION THAT GOA SUPPORT OF LOCAL R/D ACTIVITIES IS MADE UNDER GUISE OF EXPORT PROMOTION IMPETUS TO EXPORTS, NOR HAS GOA EVER DEMONSTRATED DIRECT CORRELATION BETWEEN R AND D CONCENTRATION AND EXPORT SUCCESS. R AND D PROJECTS SELECTED FOR SUPPORT ON BASIS FOLLOWING CRITERIA: (1) TECHNOLOGICAL FEASIBILITY OF PROJECT; (2) AVAILABILITY OF QUALIFIED PERSONNEL TO CARRY OUT PROJECT; (3) ANTICIPATED FAVORABLE IMPACT OF PROJECT ON NATIONAL ECONOMY.

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 VIENNA 10413 181458Z

ON BASIS OF AUSTRIAN RESEARCH PROMOTION LAW 1967, GOA ALLOTS BUDGETARY MEANS TO "FUND FOR PROMOTING SCIENTIFIC RESEARCH" AND "FUND FOR PROMOTING COMMERCIAL RESEARCH." EACH FUND ADMINISTERED BY A BOARD WHICH SELECTS PROPOSED PROJECT FOR SUPPORT AND DETERMINES SIZE OF SUBSIDY. BOARD CONCERNED WITH SCIENTIFIC RESEARCH COMPOSED OF REPRESENTATIVES FROM ALL AUSTRIAN UNIVERSI-

TIES. BOARD CONCERNED WITH COMMERCIAL RESEARCH INCLUDES REPRESENTATIVES FROM ALL INTEREST GROUPS, I.E., BUSINESS, LABOR, AND AGRICULTURE. REPRESENTATIVES FROM PERTINENT MINISTRIES HAVE ADVISORY FUNCTION ON BOTH BOARDS.

BUDGET ALLOCATIONS FOR BOTH FUNDS TOTALLED ABOUT \$14 MILLION IN 1973. THIS WILL BE RAISED TO \$15.1 MILLION IN NEXT YEAR'S BUDGET (\$6.58 MILLION FOR SCIENTIFIC AND \$8.50 MILLION FOR COMMERCIAL RESEARCH). REQUEST FOR \$25 MILLION NOT MET BECAUSE OF BUDGETARY LIMITATIONS.

SINCE SUBSIDIZATION OF R/D ACTIVITIES AIMS AT IMPROVING TECHNOLOGICAL STANDARD OF DOMESTIC INDUSTRY, IT INDIRECTLY ALSO SERVES TO INCREASE COMPETITIVENESS IN WORLD MARKETS.MOWINCKEL

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 18 DEC 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973VIENNA10413
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: VIENNA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19731217/aaaaamja.tel
Line Count: 130
Locator: TEXT ON-LINE
Office: ACTION COME
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: A. STATE 239059; B. VIENNA A-187
Review Action: RELEASED, APPROVED
Review Authority: kellerpr
Review Comment: n/a
Review Content Flags:
Review Date: 14 SEP 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14-Sep-2001 by thomasv0>; APPROVED <19-Dec-2001 by kellerpr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXPORT PROMOTION QUESTIONNAIRE
TAGS: BEXP, AU
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005